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Abstract. *The Russian gas industry refers to the basic sectors of the economy, providing a significant proportion of state revenues, including the tax on mineral extraction. The mechanism of its collection in terms of gas and gas condensate has undergone significant changes, entered into force 01.07.2014. The introduction of the flexible tax mechanisms in the area of gas extraction contributes not only filling the budget, but also improves the extraction rates of hydrocarbons across the country, and therefore increases the energy security of Russia in the long term.*

Keywords: *tax on mineral extraction, tax burden, depletion of reserves, degree of extraction difficulty of hydrocarbons, tax incentives, state income, tax on the financial result.*

Gas industry is considered to be central in the Russian economy. The current resource dependence is a consequence of a critical reduction of manufacturing and refining capacity. The volume of gas extraction was: in 2012 - 656 bcm, in 2013 - 604.8 bcm, in 2014 - 578.7 bcm, that does

not exceed indexes of the 80-s. However, during that period gas revenues did not amount to the GDP as large as it is today. Federal budget revenues in 2013 amounted to 13 019.9 billion rubles (19.5% of GDP), including oil and gas revenues - 6 534.0 bln. rubles (9.8% of GDP).

Oil and gas revenues amounted to 50.2% in the total revenues of the federal budget in 2013. In recent years, it has been watched a trend of increasing in the share of oil and gas revenues (oil and gas revenues amounted to 40.7% in 2009).

A significant part of oil and gas revenues in the amount to 769.8 billion. rubles was directed at deficit financing sources and non-oil revenues in 2013:

- 454,5 bln. rubles – the financial support of the federal budget (the substitution of non-oil revenues);
- 315,3 bln. rubles – to fill deficit of financing sources, first of all, to fill the privatization receipts (plan - 427.7 billion rubles. fact – 41.6 bln. rubles) and to fill the borrowed sources (actual involvement has decreased over by 25).

Non-oil deficit in 2013 amounted to 10.3% of GDP – almost remained at the level of 2012 (10.4% of GDP). Thus, there is still a dependence of the Russian economy on commodity revenues.

In 2014 – 2017 it is projected to decrease federal revenues from 19.9% of GDP in 2014 to 19.6% in 2015 and to 18.1% of GDP in 2017, mainly due to lower oil and gas revenues. The volume of oil and gas revenues will decrease from 9.9% of GDP in 2015 to 8.4% of GDP in 2017, while non-oil remains at 9.7% of GDP [3; 77].

It will be reducing the projected oil and gas revenues as percentage of GDP in 2015 – 2017 years due to a decline in export prices for natural gas, gas extraction volumes. And due to the growth of rates of GDP are lower than growth rates of the US dollar against the ruble.

In recent years, there are discussions on improving the tax regime in the oil and gas industry among experts, officials and business representatives. On the one hand, a policy of reducing the tax burden on business is gradually implemented, on the other – recent Government's of the Russian Federation reforms of changing in the tax system contrary to this direction.

There were changes in the taxation of subsoil users in the gas industry last years. On July 1, 2014 introduced incentives for gas fields, which depend on the degree of depletion of mineral resources and the complexity of the extraction conditions. This change is due to a significant increase in the tax burden, which started in 2011: at first gradually, but at the beginning of 2014 the tax burden on gas producers, in particular, JSC "Gazprom" has increased 4.8 times (from 147 rub. / tcm up to 700 rub. / tcm) compared with the level of 2010.

Introduction of a fundamentally new system of taxation for gas companies in terms of the tax on mineral extraction on July 1, 2014 suggests that even JSC "Gazprom" is not able to bear the current tax burden, not taking into account either change of the price, or life cycle stages of exploiting of mineral resources, or the conditions of exploiting or other factors.

According to Federal Law № 263-FZ, which came into force on 01.07.2014, at the mineral extraction tax on gas and gas condensate is calculated as follows:

$$\mathrm{MET_{gas}} = 35 \times \mathrm{U_{EF}} \times K_{\mathrm{D}} + T_{\mathrm{G}};$$
$$\mathrm{MET_{cond}} = 42 \times \mathrm{U_{EF}} \times K_{\mathrm{D}},$$

where $\mathrm{MET_{gas}}$ – MET rate of natural gas extracted from all types of hydrocarbon pools, rub. / tcm, $\mathrm{MET_{cond}}$ – MET rate of gas condensate extracted from all types of hydrocarbon pools, rub. / m., $\mathrm{U_{EF}}$ – the base value of the unit of equivalent fuel, units, $\mathrm{K_D}$ – index characterizing the degree of extraction difficulty of gas and (or) gas condensate out of pools, units, $\mathrm{T_G}$ – measure of the cost of transporting gas units.

Since July 1, 2014 the calculation of the mineral extraction tax on gas and gas condensate is based on a special formula that takes into account, in particular, the conditions of field development, gas composition, macro-economic indicators and the price situation in the target markets for gas, costs of gas transportation, the necessity to stimulate the development of new gas fields. According to the paragraph 2 of Art. 342 of the Tax Code of the RF the new rate of the mineral extraction tax on gas condensate is 42 rubles. per 1 ton of mined minerals, and in the case of natural gas the rate is 35 rubles. per 1000 cubic meters of gas.

The base value of the unit of equivalent fuel is calculated by a taxpayer on one's own. The greater the proportion of gas in total hydrocarbon extraction, the less a base value of equivalent fuel. In addition, this indicator is also linked to the price of the raw material. The price of gas depends on the average wholesale price of gas for Russian consumers, the estimated selling price of gas from the

Russian Federation and the CIS and the share of gas sales on the domestic market. The price of gas condensate is determined on the average price of "Urals" oil, the rate of export customs duty for crude oil and the average value of the dollar against the ruble in the tax period. Thus, the mineral extraction tax on gas and gas condensate depends on the level of world oil and gas prices, taking into account the regulation of gas prices on the domestic market. Moreover, the rate of the mineral extraction tax on gas and gas condensate depends on the composition of raw materials extracted in the field, because the base value of the equivalent fuel is proportional to the share of liquid hydrocarbons [1; 45].

Innovations, taking into account the conditions of gas and gas condensate field development were introduced by including an index in the formula for calculating of the mineral extraction tax, which characterizes the degree of extraction difficulty of hydrocarbons, and is assumed to be equal to the minimum value of indicators:

- The index of depletion of gas reserves (I_{DG}) is included if the depletion of a particular gas field greater than 0.7 and less than or equal to 0.9. It is determined by the formula:

$$I_{DG} = 2{,}75 - 2{,}5 \times R_{DG} \quad (1)$$

If the rate of depletion of a particular gas field (R_{DG}) is greater than 0.9, $I_{DG} = 0.5$. If $R_{DG} \leq 0.7$, $I_{DG} = 1$.

- It is the index characterizing the geographical location of the subsoil areas (I_L), which is determined depending on territorial jurisdiction (Yamal, Astrakhan region, Irkutsk region, Krasnoyarsk region, the Sea of Okhotsk, the Far Eastern Federal District), the period of operation of the field and the rate of depletion. The index may be from 0.1 to 1 unit in the aggregate.
- It is the index characterizing the field depth of hydrocarbons (I_{FD}). The index is determined in depending on the minimum field depth of resources (up to 1700 m - 1 unit., 1700-3300 m - 0.64 units., more than 3300 m - 0.5 units.).
- It is the index characterizing belonging of the subsoil to the regional gas supply system (I_{AS}), equals 0.1 units on condition that the pool is exclusively the resource base of this gas supply system.
- It is the index characterizing features of exploiting of individual pools of subsoil (I_{FEP}), includes the introduction of incentives for subsoil users of Turonian productive pools. This index may range from 0.21 to 1 unit depending on the rate of depletion and term of exploiting in the aggregate.

It was also introduced the index in the formula of the mineral extraction tax on gas. This index characterizes costs of its transportation (T_G), which depends on the actual value of the tariff for transportation. This tariff is adjusted its estimated value, taking into account changes in consumer prices in Russia, the average distance transport of gas pipelines, and the index defined as the ratio of the volume of gas extracted by the companies-owners of the Unified Gas Supply System (for instance, JSC "Gazprom") to the volume of gas extracted by other taxpayers. These innovations caused of changing of the tax return [4; 14].

Thus, since July 1, 2014 the size of the mineral extraction tax rate on gas and gas condensate for each taxpayer becomes individual. Its own value depends on the price of hydrocarbons, including on the world markets, the qualitative composition of extracted raw materials, conditions of hydrocarbon extraction and costs of transportation of natural gas.

The base rate of the mineral extraction tax without applying indexes, taking into account the extraction difficulty of hydrocarbons, will increase by 26% for gas and 64% for gas condensate since July 1, 2014. This rate may be reduced due to a significant depletion of gas fields. The basic rate of the mineral extraction tax on gas condensate can also be reduced due to the fact that the minimum depth of the condensate is 2100 meters, so index, characterizing the depth, is assumed equal to 0.64 units. Reduction of taxation due to this factor is 36 %.

It is also important to note that, all these changes in the tax system in terms of the mineral extraction tax on gas and gas condensate opened up the gas industry of the country new opportunities for the development of already significantly depleted fields, remote areas of mineral resources, deep pools, as well as those of gas reserves, that being developed for the needs of the regional gas supply system. If we consider the total income of the budgets of all levels, the state revenues from the project development of mineral resources will exceed the income of the subsoil user. Carrying out reforms in terms of fiscal relations between the government and extracting companies must stimulate activity of the past. It is necessary for moving to a more rational system of subsoil using.

As for the ratio of the state and subsoil user incomes, during the hydrocarbon extraction in a more favorable situation is the state. His revenue is in part of the mineral extraction tax above 45-50% compared to the revenue of the subsoil user.

Since 1.01.2014 the tax preferences were introduced for the mineral extraction tax. As part of a comprehensive plan for the development of liquefied natural gas extraction on the Yamal Peninsula is planned to develop a project of the federal law providing for the establishment of:

- The mineral extraction tax rate of 0 rubles for the extraction of natural gas in the subsurface areas located wholly or partly on the Gydansky peninsula within the boundaries of the Yamal-Nenets Autonomous District, used exclusively for the extraction of liquefied natural gas, until the accumulated extracted volume of natural gas became 250 bcm in the subsoil. The period of development of reserves does not exceed 12 years from the 1st of the month, which started extraction of natural fuel gas used exclusively for the extraction of liquefied natural gas;
- The mineral extraction tax rate of 0 rubles for gas condensate, together with the natural fuel gas, used exclusively for the extraction of liquefied natural gas in the subsurface areas located wholly or partly on the Gydansky peninsula within the boundaries of the Yamal-Nenets Autonomous District, until the accumulated extracted volume of gas condensate became 20 million tons in the subsoil. The period of development of reserves does not exceed 12 years from the 1st of the month, which started extraction of gas condensate, together with the natural fuel gas, used exclusively for the production of liquefied natural gas.

Thus, the system of taxation in gas extraction over the past two years has undergone major changes as moving from a flat, unified tax rate on extraction to a complex formula that takes into account the specific conditions of extraction of hydrocarbons. Furthermore, it is considered the issue of the tax on the financial result or the tax on the additional income, which will be directed to the withdrawal of an excess profit of companies. On the one hand, it is the most objective form of taxation, but on the other hand, it is necessary to conduct deeper analysis of the readiness of the Russian gas industry to introduction such taxes.

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